Oracle Corporation Japan

Q4 Financial Results Briefing for the Fiscal Year Ended May 2026

June 25, 2026

Event Summary

[Company Name]	Oracle Corporation Japan	
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[Event Type]	Earnings Announcement	
[Event Name]	Q4 Financial Results Briefing for the Fiscal Year Ended May 2026	
[Fiscal Period]	FY2026 Annual	
[Date]	June 25, 2026	
[Venue]	Webcast	
[Number of Speakers]	2	
	S. Krishna Kumar	Director, Corporate Executive Officer, CFO
	Yuki Nishio	Director, Investor Relations
[Analyst Names]	Hideaki Tanaka	BofA Securities
	Satoru Kikuchi	SMBC Nikko Securities
	Matthew Henderson	JPMorgan Securities
	Makoto Ueno	Daiwa Securities

Presentation

Nishio: Good afternoon, everyone. I am Yuki Nishio from Investor Relations of Oracle Corporation Japan. Now We will begin Oracle Corporation Japan's financial results briefing for the full fiscal year ended May 2026. Please refer to the notes in the financial results release and supplementary financial materials for the disclaimer. Today, S. Krishna Kumar, Corporate Executive Officer and Chief Financial Officer, will provide an overview of our financial results for the period. This will be followed by a Q&A session, during which we will take your questions in writing via Zoom's Q&A function. Now, S. Krishna Kumar will present the overview of our financial results. I'd like to turn this call over to KK, Senior Vice President, JPAC and Japan CFO.

S. Krishna Kumar: Thank you, Nishio-san. Good afternoon, everyone, and welcome to Oracle Japan's earnings conference call. FY2026 was a strong year for Oracle Japan. We delivered solid growth, strengthened our market position and continue to expand our business across both cloud and mission-critical workloads.

Our cloud business, particularly Oracle Cloud Infrastructure, remained a key growth driver throughout the year. We also made significant progress in expanding our cloud presence in Japan. We are pleased that five strategic partners have now committed to Oracle Alloy, helping establish an important foundation for sovereign cloud services in Japan. These initiatives are enabling customers to address growing requirements around data sovereignty, security, regulatory compliance and operational control while the underlying cloud and data center infrastructures continue to expand.

At the same time, our existing businesses remain stable and resilient. Many customers continue to rely on Oracle to run their most critical systems, and we continue to see steady demand from organizations that prioritize reliability, performance and long-term operational stability. This combination of growth and stability remains one of the key strengths of our business.

Looking ahead, we believe we are entering the next phase of growth. AI is rapidly becoming a strategic priority for many organizations. However, the opportunity for Oracle is not AI itself. As customers prepare their businesses for AI, they are investing in infrastructure, data platforms, applications, and deployment models to support AI securely and at scale. We believe this will create new opportunities across Oracle Cloud infrastructure database services, cloud applications, and sovereign cloud initiatives. With growing cloud business, a stable installed base and expanding sovereign cloud capabilities, Oracle Japan is well positioned to benefit from these investments in the years ahead.

Now let me give a few customer examples to establish what I have said so far.

Customer number one, SoftBank. Oracle and SoftBank have further strengthened the partnership with SoftBank adopting Oracle Alloy and will launch generative AI services powered by the Japanese LLM Sarashina on its Cloud PF Type A platform starting in June 2026. Oracle Alloy operated in SoftBank's Japan-based data centers, Cloud PF Type A provides a sovereign cloud environment with access to more than 200 OCI, AI and cloud services. By combining Sarashina with Cloud PF Type A, organizations can securely leverage proprietary data for generative AI applications, including document automation, coding assistance, AI agents and multi-agent systems, helping improve productivity and accelerate innovation.

Number two, DENSO, this is an interesting one. DENSO is modernizing its global supply chain operations on a scalable, integrated platform to improve efficiency, decision-making and risk management while advancing innovation and sustainability initiatives. Building on its existing investments in Oracle Fusion Cloud ERP and Oracle Fusion Cloud HCM, DENSO will implement Oracle Fusion Cloud supply chain and manufacturing across planning, procurement, manufacturing and delivery operations. The solution will enhance supply chain visibility, reduce costs and risks, and accelerate decision-making. As part of its broader transformation strategy, DENSO will also establish an AI Center of Excellence to promote AI adoption, share best practices across Fusion applications, and align leadership throughout the program.

Number three, Dai Nippon Printing. DNP offers an on-premise AI solution for organizations with strict security requirements, helping unlock knowledge embedded in documents and operational data. Using Oracle Autonomous AI Database, DNP transforms unstructured content such as manuals, quality records, and reports into AI-ready data while integrating it with real-time business data across inventory, procurement, assets and quality management. By combining Vector Search and SQL Search, the platform enables organizations to seamlessly access and leverage both unstructured and structured data, improving knowledge utilization and operational efficiency, just to give you a sense of the broad outreach in the market that we have with our different products and services and to underline Oracle's presence in the most mission-critical systems, applications and industries.

セグメント別データおよび営業経費 / Segmental Info and Opex

売上高 / Total Net Sales

(百万円 Millions of Yen, %=YoY)

	2026/5					2025/5				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
クラウド	19,097	20,031	21,508	22,546	83,184	13,915	14,368	16,711	16,966	61,962
Cloud	37.2%	39.4%	28.7%	32.9%	34.3%	9.2%	29.3%	42.5%	33.8%	28.4%
ソフトウェア・ライセンス	9,132	10,560	11,976	15,949	47,618	12,551	9,352	12,041	14,683	48,630
Software license	-27.2%	12.9%	-0.5%	8.6%	-2.1%	48.8%	-21.0%	9.2%	-8.2%	2.8%
ソフトウェア・サポート	28,308	28,415	28,318	28,635	113,678	27,969	28,190	27,976	28,301	112,438
Software support	1.2%	0.8%	1.2%	1.2%	1.1%	3.6%	3.4%	1.6%	2.0%	2.7%
ソフトウェア	37,441	38,975	40,294	44,585	161,297	40,521	37,543	40,018	42,985	161,068
Software	-7.6%	3.8%	0.7%	3.7%	0.1%	14.4%	-4.0%	3.8%	-1.7%	2.7%
クラウド・アンド・ソフトウェア	56,539	59,007	61,803	67,131	244,481	54,437	51,911	56,730	59,951	223,030
Cloud and software	3.9%	13.7%	8.9%	12.0%	9.6%	13.0%	3.4%	12.8%	6.3%	8.8%
ハードウェア	3,463	2,994	3,662	4,928	15,048	3,610	3,159	4,495	4,323	15,590
Hardware	-4.1%	-5.2%	-18.5%	14.0%	-3.5%	-5.5%	-25.2%	19.9%	-15.2%	-7.7%
サービス	6,272	6,399	6,527	6,343	25,543	5,867	6,308	6,371	6,343	24,890
Services	6.9%	1.5%	2.5%	0.0%	2.6%	9.0%	12.6%	17.1%	3.2%	10.3%
合計	66,275	68,401	71,993	78,402	285,073	63,915	61,379	67,597	70,618	263,510
Total Net Sales	3.7%	11.4%	6.5%	11.0%	8.2%	11.4%	2.2%	13.7%	4.4%	7.8%

当事業年度より、収益の分解情報を業績の管理区分の変更に合わせて表示することにし、報告セグメントである「クラウド・アンド・ソフトウェア」を「クラウド」、「ソフトウェア」の区分に変更して表示しています。また、「ソフトウェア」は、「ソフトウェア・ライセンス」、「ソフトウェア・サポート」で構成されております。なお、前事業年度の情報は、変更後の区分方法により作成したものを記載しています。/ Starting from the current fiscal year, we have decided to present the breakdown of revenues in alignment with changes in our performance management categories. The revenue breakdown of the reportable segment "Cloud and software" is now presented as "Cloud" and "Software". "Software" consists of "Software license" and "Software support". The breakdown of revenues for the previous fiscal year is presented using the new classification method.

営業利益 / Operating Income

	2026/5					2025/5				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
クラウド・アンド・ソフトウェア	21,159	21,539	23,612	26,833	93,145	21,997	19,233	21,966	22,474	85,673
Cloud and software	-3.8%	12.0%	7.5%	19.4%	8.7%	18.4%	-0.3%	11.6%	2.0%	7.6%
ハードウェア	124	99	112	211	547	134	106	150	177	569
Hardware	-8.0%	-6.3%	-25.4%	19.2%	-3.8%	-16.0%	-9.1%	-4.6%	-30.5%	-17.6%
サービス	1,350	1,569	1,587	774	5,281	1,302	1,428	1,421	1,691	5,844
Services	3.6%	9.8%	11.7%	-54.2%	-9.6%	41.1%	-6.2%	69.8%	14.3%	22.7%
共通経費（全社費用）	-1,505	-1,677	-947	-5,049	-9,179	-1,241	-1,049	-1,232	-1,731	-5,255
Adjustment	21.3%	59.8%	-23.1%	191.6%	74.7%	4.3%	-2.8%	-4.9%	4.6%	0.6%
営業利益	21,128	21,531	24,364	22,771	89,795	22,194	19,718	22,306	22,612	86,832
Operating income	-4.8%	9.2%	9.2%	0.7%	3.4%	20.2%	-0.7%	15.1%	2.3%	8.8%

営業経費主要科目 (売上原価+販売費及び一般管理費) / Operating Expenses (Sum of COGS and SG&A)

	2026/5					2025/5				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
ロイヤルティ（Royalty）	26,151	27,381	28,723	31,734	113,991	24,089	23,342	25,684	27,235	100,350
ハードウェア仕入原価（Hardware Purchasing Expenses）	3,014	2,641	3,225	4,396	13,277	3,093	2,672	3,907	3,738	13,412
人件費（Human Resources）	8,505	8,945	8,175	11,330	36,957	7,637	8,102	8,820	8,682	33,241
業務委託費 (Outsourcing)	5,516	5,991	5,576	5,297	22,382	4,910	5,694	4,797	6,192	21,595
ファシリティ関連（Facility）*	601	531	624	518	2,275	526	547	548	604	2,227
その他（Others）	1,357	1,378	1,304	2,353	6,394	1,463	1,301	1,532	1,552	5,850
合計/Total	45,147	46,870	47,628	55,631	195,278	41,721	41,660	45,290	48,006	176,678

* ファシリティには賃借料、減価償却費、消耗品費、水道光熱費が含まれる / Facility includes rent, depreciation & amortization, supplies expenses and utilities.

	2026/5					2025/5				
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4	
従業員数 / Number of Employees	2,270	2,236	2,128	2,097	-	2,245	2,254	2,250	2,258	-

With that, let me turn to our financial results for the year ended May 31, 2026. The total revenue was JPY285.073 billion, growing at 8.2% compared to the previous year, driven by strong growth in our cloud revenue. Our total cloud revenue was JPY83.184 billion, up 34.3%, and now represents 29.2% of the total company revenues.

Infrastructure consumption revenues had very strong momentum, including autonomous database. Operating income was JPY89.795 billion, increasing 3.4%.

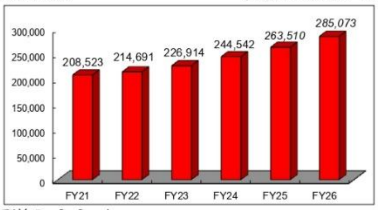
会社概要　Corporate Overview

● 商号 Company Name	日本オラクル株式会社 Oracle Corporation Japan
● 設立 Established	1985年10月15日 October 15, 1985
● 資本金 Paid-In Capital	25,253百万円 (million yen)
● 代表執行役 Representative Executive Officer	内海 寛子 Hiroko Utsumi
● 従業員数 Number of Employees	2,097名
● 事業内容 Scope of Business	企業の事業活動の基盤となるソフトウェア、ハードウェア、クラウドならびにそれらの利用を支援する各種サービスの提供 Sales of Software, Hardware and Cloud, and provision of various kinds of services supporting the use of such products for businesses
● 本社所在地 Head office	東京都港区北青山2-5-8　オラクル青山センター Oracle Aoyama Center 2-5-8, Kita-Aoyama, Minato-ku, Tokyo

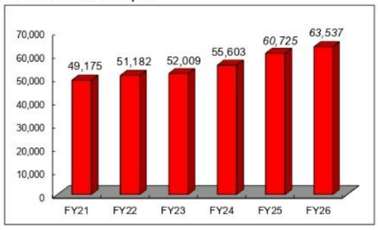
2026年5月31日現在 / as of May 31, 2026

●業績推移　Net Sales and Profit for the year

売上高 Net Sales (百万円 Millions of Yen)



当期純利益 Profit for the year



「クローズドコミュニケーションピリオド」に関して

当社は、決算発表準備中に株価に影響を与える情報が漏れることを防ぐため、当社の決算発表前後一定期間を「クローズドコミュニケーションピリオド」として、個別取材やミーティングへの対応や出席、業績見通し等に関してのお問い合わせへの対応を控えさせていただいております。ただし、公表済の業績予想から大きな乖離が見込まれる場合においては、期間中であっても適宜情報開示を行います。

クローズドコミュニケーションピリオドは各四半期末月(2,5,8,11月)15日から、当該四半期の業績発表日までです。

Notice about "Closed Communication Period"

In order to prevent the information leaks which affect stock prices during the preparation of announcements of the financial results, Oracle Corporation Japan has set a fixed period before and after announcement as a "Closed Communication Period" and shall refrain from coverage regarding financial results during the period. However, in the event of a large deviation from previously announced predictive statements, even during the period, the Company will disclose information as it considers appropriate. **Closed Communication Period begins the 15th day of the last month of each quarter (Feb., May, Aug. and Nov.) and ends once the Company announces its quarterly earnings.**

Net income was JPY63.537 billion, up 4.6%. We are also pleased to forecast a dividend total of JPY858 per share, including a normal dividend of JPY198 per share.

FY2026 was a record year for Oracle Japan, and we enter FY2027 with strong momentum. With a healthy pipeline, continued cloud adoption, and growing opportunities across our business, we believe we are well positioned for another year of growth. Our revenue growth guidance for FY2027 is 6% to 10%., and our EPS guidance ranges from JPY525 to JPY540. Thank you very much.

Question & Answer

Nishio: We will now take your questions. Please note that this briefing is intended for securities market participants. We kindly ask members of the press to refrain from asking questions. Please use the Q&A function in Zoom to enter your company name, your name, and up to three questions. Please note that questions without a company name will be skipped. I will read each question aloud, and CFO KK will respond. Duplicate questions may be omitted. We will now begin the Q&A session.

The first question is from Tanaka-san from BofA Securities.

Tanaka [Q]: Can you explain why the HR cost went up by JPY3 billion in Q4, three months? That's the first question.

S. Krishna Kumar [A]: As a company, we have been looking at our people structure and the impact of AI and overall efficiencies in the organization, as a result of which we had some restructuring, so some of those costs are reflected in the higher expense that you see for human resources in Q4.

Tanaka [Q]: The second question. When we look at the category of others, the expenses went up by JPY1 billion. Can you explain the breakdown of this JPY1 billion, and is this situation going to continue on in the subsequent quarters?

S. Krishna Kumar [A]: There are multiple expenses that constitute this. One of them was a large event that was conducted around the same time frame, so advertising expenses went up. Some telecom expenses went up as well. The marketing event is an annual, so we will see slightly higher expenses whenever we conduct that annual event. The others are business-as-usual expenses.

Nishio: The next question is from Kikuchi-san of SMBC Nikko. The first question is about the labor cost. That was already answered, so we're going to skip that first question.

Kikuchi [Q]: The second question is about dividend. A special dividend will be paid out at the end of May of 2026, but this special dividend was also done two terms ago, in FY2024. In a short period of time, a significant amount of special dividends are being paid out, but is this appropriate for the Company?

S. Krishna Kumar [A]: We carefully consider our dividend policy every year with the Board and decide on what is most appropriate. We were sitting on a large pool of cash, we considered all possibilities, and we wanted to make sure that we enhance shareholder value, as a result of which there is a consensus on the Board which is still not approved. It is still a forecast, so I still need the final Board approval. At this point, it is a forecast, but there is consensus that we would like to reward our shareholders with this dividend.

Nishio: The next question is from Henderson from JPMorgan.

Henderson [Q]: The total amount of the dividend is higher than the cash position in Q4. From a cash flow perspective, can you give us your take on that?

S. Krishna Kumar [A]: We are pretty confident, so we will be generating cash in the next couple of months as well, so we should be able to take care of this payout. We haven't yet finalized the source, but we have lots of options available, including premature retirement of some of the loans that we have with the corporation, so I don't see any challenge in the distribution.

Henderson [Q]: The second question, if you are confident in your cash flow, a normal dividend payout of 100% might be appropriate. Do you have any thoughts on that?

S. Krishna Kumar [A]: This is a board sort of discipline. I don't know what is appropriate. We generally try to maintain a normal dividend of 40%, which has been our consistent policy for several years. As and when we think there is enough cash, surplus cash, we try to reward the shareholders. That's how we look at it, and that's how we probably will continue to look at it in the future as well.

Nishio: The next question is from Watanabe-san of Mitsui Sumitomo Asset Management.

Watanabe [Q]: If we look at the segment operating profits, the adjustment portion is quite significant. If the labor cost point that you talked about earlier includes some kind of one-time payout of any bonuses, is this something that will be continuing on into the future?

S. Krishna Kumar [A]: As I said earlier, we had a restructuring cost in Q4, so most of what we see in the adjustment column pertains to the restructuring costs. As a company, we will continue to look at getting operational efficiencies. We will continue to invest in the right people for our future businesses. I won't say that restructuring efforts will continue, but definitely we will continue to look at becoming more efficient as an organization. That's how the management thinks and that is what is best for the shareholders as well.

Nishio: The next question is from Ueno-san of Daiwa Securities, but this is again about the labor cost, so we will skip this one. Are there any more questions?

No more questions.

This concludes Oracle Corporation Japan's financial results briefing for the fiscal year ended May 2026. A survey regarding today's Zoom-based briefing will appear at the end of this session. We would appreciate your feedback for our reference in planning future briefings. The contents of this briefing will be available for replay for one month from today, using the method provided to you by email. Should you have any additional inquiries, please contact Nishio in the Investor Relations Department. Thank you very much for joining us today.

[END]